

**GOVERNMENT OF TELANGANA**  
**ABSTRACT**

Health, Medical & Family Welfare Department – Constitution of Committee for implementation of free drugs initiative in the State of Telangana - Orders – Issued.

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**HEALTH, MEDICAL & FAMILY WELFARE (D1) DEPARTMENT**

**G.O.RT.No. 831**

**Dated: 29/12/2015**

**Read :-**

From the Commissioner of Health & Family Welfare and MD, NHM, Hyderabad Lr.  
No.101/SPMU/FDS/CIO/2015, dt. 12/11/2015

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**O R D E R:**

The Commissioner of Health & Family Welfare, Telangana, Hyderabad in the reference read above has stated that Government of India under National Health Mission has sanctioned Rs.11.94 crores towards (NHM RoP 2015 FMR Code:B.16.2.1.5.1) for implementation of Free Drugs Initiative in the state. He has further stated that procurement of generic drugs in bulk, substantially lowers the cost compared to the price paid for a branded drug by an individual consumer. It can be as low as 2% of the retail price of a branded drug. If quality essential drugs are provided free of cost to all patients visiting public health facilities, it would bring significant savings to the patients. Provision of free drugs is therefore one of the most important interventions towards mitigating the burden of health care costs. One of the targets of the proposed Sustainable Development Goals is to "achieve universal health coverage, including financial risk protections, access to quality essential health care services, and access to safe, effective, quality and affordable, essential medicines and vaccines for all", testifying to the importance of this initiative.

2. Under the National Health Mission (NHM), the Ministry of Health & Family Welfare (MoHFW) supplements the efforts of the States to improve access to free/affordable and quality healthcare. This support includes provision for strengthening/setting up robust systems of procurement, quality assurance, IT backed supply chain management systems like Drugs and vaccines Distribution Management Systems (DvDMS), warehousing, prescription audit, grievance redressal, Information, Education and Communication (IEC), training, dissemination of Standard Treatment Guidelines, etc. NHM continues to provide incentives to those States that notify a policy to provide free essential drugs in public health facilities.

3. In order to support the states to rollout/implement the provision of free drugs, National Health Mission has developed a set of Operational Guidelines for the Free Drugs Service Initiative. National Health Mission will support States to ensure that a set of quality essential drugs are available free of cost to all those who access public health facilities, irrespective of economic status. States are free to select those essential drugs that which they would wish to provide in their states with the following key features:

- (i) Ensure availability of essential drugs based on the level of public health facilities free of cost to all who access these facilities.
- (ii) Notify the policy for universal provision of essential drugs, which should be widely publicized as an entitlement, and disseminated. Orientation workshops have to be undertaken for doctors to promote prescription of generics and rational drug use.
- (iii) To meet drug requirements for primary and secondary healthcare through Primary Health Centres (PHCs), Community Health Centres (CHCs), Sub Divisional Hospitals (SDH) and District Hospitals (DHs).
- (iv) Quality Assurance in public procurement

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- (v) Set up robust IT backed procurement, quality assurance, warehouses, and supply chain systems that are benchmarked for key management processes with the best practices in this field.
- (vi) All drugs procured, distributed and prescribed under this initiative shall be generic drugs.
- (vii) Ensuring rational use of drugs and preventing all forms of wastage is important.
- (viii) To develop own Standard Treatment Guidelines (STGs) or adapt the STGs published by the MoHFW.
- (ix) A system of prescription audits would be required to be put in place to ensure prescription of generics and rational use of drugs.
- (x) Facility wise Essential Drug List (EDLs) should be displayed prominently at each facility

4. Financing under this scheme is available for the following initiatives.

- (i) Procurement of drugs
- (ii) To set up/strengthen systems of procurement, quality assurance, supply chain and warehousing, prescription audit, Grievance Redressal, IEC, training and orientation programmes for service providers for rational prescriptions, etc.

5. This initiative requires the states to have a Centralized Procurement Body (CPB) at State Level and to utilise the amount sanctioned and to send proposals to Government of India for more funds, the following conditionalities have to be met:

- a. To have a Central Procurement Body
- b. To notify a Free Drugs Policy
- c. To have Essential Drug List
- d. To have Robust IT bacakup (DVDMS)
- e. To have Quality Assurance
- f. To adopt Standard Treatment Guidelines issued by the Government of India or the state has to develop its own STGs
- g. To have facility wise Essential Drugs List
- h. To have Prescription Audit.
- i. To have Grievance Redressal System

6. Government after careful examination of the matter hereby constitute a Committee with the following members though the Telangana State already have a Central Procurement Body for Procurement of Drugs called as Telangana State Medical Services Infrastructure Development Corporation (TSMSIDC).

1)	Principal Secretary to Government Health, Medical & Family Welfare, Telangana, Secretariat, Hyderabad	Chairman
2)	The Commissioner of Health & Family Welfare, Telangana, Hyderabad	Member
3)	Director of Public Health and Family Welfare Telangana State, Hyderabad	Member
4)	Commissioner, TVP, Telangana, Hyderabad	Member
5)	The Director Of Medical Education Telangana, Hyderabad	Member
6)	Managing Director, TSMSIDC, Telangana, Hyderabad	Member-Convener

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7. The Committee shall (i) formulate draft Free Drug Policy for the state (ii) to assess the status of implementation of DVDMS (iii) to look into the Standard Treatment Guidelines formulated by the Government of India for adoption by the state. The committee may utilise the services of subject experts for this purpose (iv) to prepare facility wise essential drugs list (v) to give recommendations for implementation of prescription audit (iv) to examine the tendering process, quality checks and grievance redressal mechanism in place by TSMSIDC and compare them with the guidelines issued by the Government of India.

8. The Commissioner of Health and Family Welfare, Telangana, Hyderabad, shall take necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

RAJESHWAR TIWARI  
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner of Health & Family Welfare, Telangana State,  
Hyderabad.

The Members concerned

Copy to

P.S to Hon'ble Minister for Medical & Health, Government of Telangana,  
Hyderabad

The PS to Principal Secretary to Government,  
Health, Medical & Family Welfare Department, Telangana, Hyderabad.

SF/SC.

// FORWARDED:: BY ORDER //

SECTION OFFICER